

Multi-Year Revenue and Expenditure Forecast Scenarios

Multi-Year Revenue and Expenditure Projections

Multi-year revenue and expenditure projections have been developed as estimates of future City surpluses and shortfalls in order to examine how decisions made in the current budget could affect the City's future financial situation in a variety of potential revenue scenarios.

The tables and graphs on the following pages show the budget surpluses or shortfalls that would occur over the next ten fiscal years as a result of low, medium, and high revenue growth scenarios relative to projected expenditures. All estimates include policy changes included in the City Manager's Proposed FY 2013 budget.

Resolution 2480

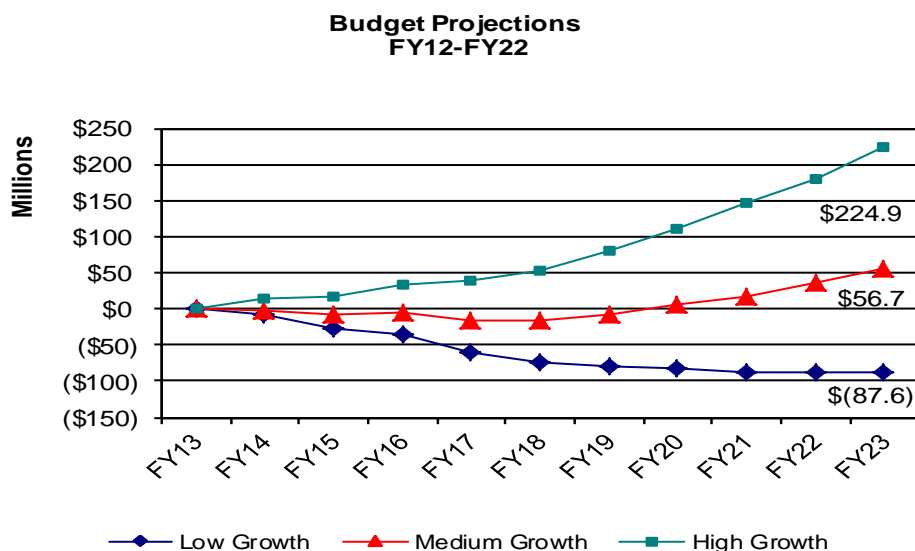
Resolution 2480, approved by Council in November, 2011, requires a special analysis from the City Manager to show expected revenues and expenditures. The analysis included in the Approved budget must contain:

- a. Revenue estimates at the same level of detail as shown in the long-range forecast section of the budget document, including three forecast estimates – high, mid, and low level.
- b. Revenue estimates that assume the same tax rates as those prepared for FY 2013 in the base budget.
- c. Expenditure estimates at the same level of detail as provided in the long range forecast section of the budget document.
- d. A detailed estimate of the impact in FY 2014 of any recommended expenditures in the FY 2013 base budget.
- e. The impact on FY 2013 revenues and expenditures of any of the options for additional operating and CIP expenditures approved under the authority of section 11 of the resolution which allows options for additional operating and budget expenditures above the base budget.
- f. A general discussion of the types of actions that might be necessary to balance the FY 2014 budget if there is a projected deficit for that year.

Multi-Year Revenue and Expenditure Projections

Balancing the Budget in FY 2014 In the City's mid-range estimate for revenues and expenditures, the FY 2014 budget forecast includes a shortfall of approximately \$1 million. Using the mid-range forecast revenue increases are projected to total 4.1% on average over the next ten fiscal years, while expenditures are projected to increase by 3.5%. The worst case forecast for FY 2014 is a \$9.1 million deficit, while the best case forecast scenario is a \$13.2 million surplus.

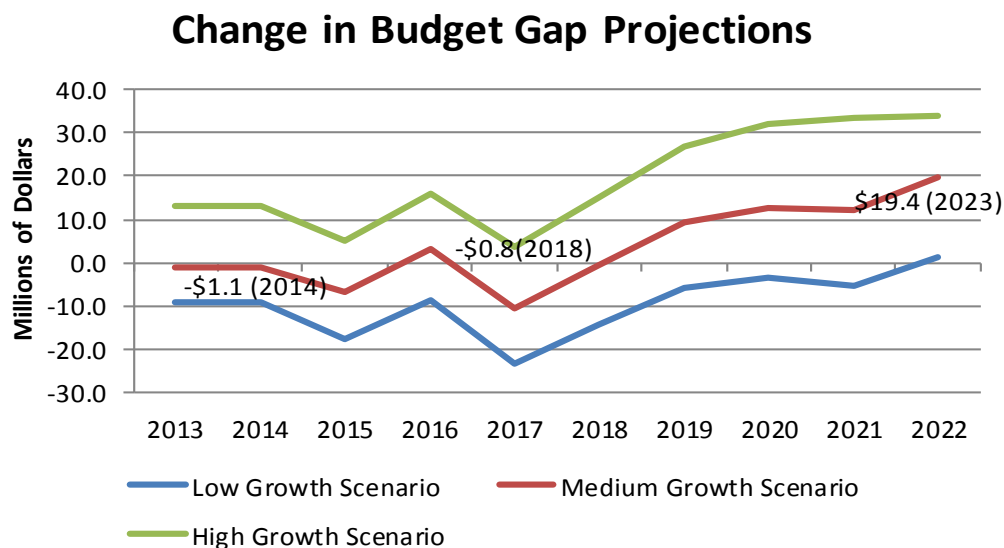
In order to balance the FY 2014 budget, it will probably be necessary again to do a combination of revenue and tax increases and expenditure reductions. The exact balance between the two types of actions would be determined by Council. In recent years, the City increased the real estate tax in part to compensate for decreases in real estate assessments. The city also increased other taxes where it has the authority such as the meals tax, transient lodging tax, and established an admission tax. The City has also made an effort to match fees and revenues to the costs of services. On the expenditure side, the City has reduced expenses by cancelling or deferring salary increases, reducing staff, and increasing city employee's cost share of benefits such as medical insurance. In some cases, the City has eliminated lower priority services and reduced service levels. The City has deferred capital projects; however, in reality maintaining existing public facilities and infrastructure is a high priority and a need exists to improve or expand some facilities or infrastructure. Lastly, the City could defer pension and OPEB contributions or tap the City's fund balances heavily, although these actions are likely not be recommended. They would be financially unsustainable and a threat to the City's Triple A bond ratings.



Forecast Scenarios

Multi-Year Revenue and Expenditure Projections

The graph below shows the annual change in budget gap projections. Assuming the budget is balanced each year, this chart shows the deficit or surplus that occurs in the succeeding year. According to the forecast model, under the high growth scenario, the annual gap will disappear next fiscal year. Under the medium growth scenario, the gap will disappear in 2019, and under the low growth scenario the gap will disappear in 2023. The medium and low growth scenarios show gradually narrowing gaps. The rate at which the gaps close depends mostly on the rate of growth in real estate assessments.



Forecast Scenarios

Multi-Year Revenue and Expenditure Projections

Impact of FY 2013 policy changes on the FY 2014 budget

Resolution 2426, passed by City Council in November, requires the City Manager to provide a detailed estimate of the impact in FY 2014 of recommended expenditures in the FY 2013 base budget. The chart below shows the impact of expenditure changes to the FY 2013 budget on FY 2014 expenditures. All changes are included in the long-term forecast models.

Personnel Adjustments	Change to FY 14 Budget
FY 2013 Step Increase on Salary and Benefits in FY 2014	3,353,000
Payscale Adjustment	<u>376,000</u>
Subtotal	3,729,000
New or Expanded Services	
Ethics Initiative	25,000
ACVA Advertising	100,000
Department of Community and Human Services Position	45,675
Health Emergency Planner	105,000
Recreation, Parks and Cultural Activities Instructors	50,000
Recreation, Parks and Cultural Activities Youth Sports	24,556
Fire Recruit Class	<u>465,000</u>
Subtotal	815,231

Forecast Scenarios

Multi-Year Revenue and Expenditure Projections

All Funds Expenditure Reductions

Personnel Savings

Finance Department	(220,449)
General Services	(218,889)
Fire Department	(214,834)
Department of Community & Human Services	(431,581)
Health Department	(285,482)
Emergency Communications	<u>(181,226)</u>
Subtotal	(1,552,461)

Non-Personnel Savings

Court Service Unit	(16,313)
Human Rights	(19,000)
Information Technology Services	(27,000)
Department of Community & Human Services	(2,100,330)
Communications & Public Information Office	(53,561)
Planning Studies	(100,000)
Economic Development	(100,632)
City Attorney's Office	(130,000)
Voter Registrar	(55,000)
General Services	(122,644)
Transportation & Environmental Services	(15,000)
Code Administration	(56,000)
Historic Alexandria	(170,000)
Recreation, Parks and Cultural Activities	(259,580)
Library	(72,070)
DASH	<u>(180,000)</u>
Subtotal	(3,477,130)

Total All Funds Reductions (5,029,591)

Grand Total of All Policy Changes (485,360)

Forecast Scenarios

Revenue Growth Scenarios

Three different scenarios of revenue growth have been developed for the period of FY 2013 through FY 2023 based on varying assumptions about the rate of increase for each of the revenue categories listed below. Each scenario is based on Proposed FY 2013 tax and fee rates. All projected increases over the next six years are generated by economic growth or the impact of inflation on goods or services that are taxed. In the low growth scenario, the real estate market is assumed to recover slowly; in the high growth scenario, real estate is expected to resume an slightly below average rate of growth. In the medium growth scenario, it is projected that real estate assessments will grow below the historic average rate of about six percent. In the long run, for the budget to come into balance, revenue growth must exceed the projected 3.5% rate of expenditure growth.

General Fund Revenue Categor	Low Growth	Medium Growth	High Growth
Total Weighted Growth Rate	2.6%	4.1%	5.7%
Real Estate Property	3.6%	5.5%	7.5%
Personal Property	1.2%	2.2%	3.2%
Penalties & Interest	0.0%	1.0%	2.0%
Local Sales	1.0%	2.0%	3.0%
Utility	1.0%	2.0%	3.0%
Communications Sales & Use	0.0%	1.0%	2.0%
Business License	1.8%	3.8%	5.8%
Motor Vehicle License	0.0%	0.0%	1.0%
Recordation	3.7%	5.9%	8.0%
Tobacco	0.0%	0.0%	1.0%
Transient Lodging	4.0%	6.0%	9.0%
Restaurant Food	2.5%	4.0%	4.5%
Other Miscellaneous Taxes	1.5%	2.0%	2.5%
Licenses, Permits and Fees	1.0%	2.0%	3.0%
Fines and Forfeitures	0.5%	3.0%	1.5%
Use of Money and Property	1.0%	3.0%	5.0%
Charges for Services	2.0%	3.0%	4.0%
Intergovernmental	1.0%	1.5%	2.0%
Miscellaneous Non-Tax	0.0%	1.0%	2.0%

Forecast Scenarios

Expenditure Growth Scenario

For all scenarios, the City assumes a growth rate in expenditures of 3.5% per year. The model assumes no market rate adjustment. Non-personnel costs are generally expected to rise at their ten year average with the exception of Contractual Services, Utilities, Leases and Rentals, and Subsidies and Contributions. These expenditures were reduced by half in FY 2012 to account for increasing City efficiency and recently lower rates of inflation.

Expenditure Category	Assumption
Total Average Expenditure Growth	3.5%
City Personnel	
Market Rate Adjustment	0%
Step	1.6%
Health Care Increase	8.0%
City Non-Personnel	
Contractual Services	0.7%
Internal Services	1.5%
Commodities	3.1%
Utilities	1.6%
Other Charges	4.6%
Leases and Rentals	3.3%
Subsidies and Contributions	2.2%
Equipment	1.0%
Other Charges	2.6%
Transit Subsidies	9.2%
School Personnel	
Market Rate Adjustment	0%
Step & Turnover	2.7%
Non-Personnel	
Outside Services	1.0%
Commodities (Food & Fuel)	1.0%
Other Charges	1.0%
Equipment	1.0%

Forecast Scenarios

Low Growth Scenario

Each of the three scenarios that will be presented include policy proposals that were included in the FY 2013 budget. The FY 2013 forecast accommodates a step increase in FY 2013 among other policy changes.

	FY 2013 Proposed	FY 2014 Forecast	FY 2015 Forecast	FY 2016 Forecast	FY 2017 Forecast	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast	FY 2022 Forecast	FY 2023 Forecast
General Fund											
General property tax revenue											
Real property tax	334,929,000	336,440,000	348,306,000	362,315,000	376,883,000	392,035,000	407,792,000	424,180,000	441,223,000	458,948,000	477,382,000
Personal property tax	37,196,000	37,642,000	38,094,000	38,551,000	39,013,000	39,482,000	39,955,000	40,435,000	40,920,000	41,411,000	41,908,000
Penalties and interest	1,870,000	1,870,000	1,870,000	1,870,000	1,870,000	1,870,000	1,870,000	1,870,000	1,870,000	1,870,000	1,870,000
Total general property tax revenue	373,995,000	375,952,000	388,270,000	402,736,000	417,766,000	433,387,000	449,617,000	466,485,000	484,013,000	502,229,000	521,160,000
Other Local Tax Revenue	123,814,000	125,823,000	127,921,000	130,114,000	132,362,000	134,666,000	137,029,000	139,452,000	141,938,000	144,487,000	147,102,000
Other Non-Tax Revenue	81,962,000	82,869,000	83,788,000	84,720,000	85,664,000	86,621,000	87,591,000	88,573,000	89,569,000	90,578,000	91,601,000
Total General Fund Revenues	579,771,000	584,644,000	599,979,000	617,570,000	635,792,000	654,674,000	674,237,000	694,510,000	715,520,000	737,294,000	759,863,000
Other Financing Sources (Uses)											
Appropriation from Fund Balance for Op. Budget	5,835,000	5,020,000	5,020,000	5,020,000	5,020,000	5,020,000	5,020,000	5,020,000	5,020,000	5,020,000	5,020,000
Total General Fund Revenue & Other Sources	585,606,000	589,664,000	604,999,000	622,590,000	640,812,000	659,694,000	679,257,000	699,530,000	720,540,000	742,314,000	764,883,000
Special Revenues & Other Funds											
Schools including Fund Balance	55,967,000	57,007,000	58,067,000	59,149,000	60,252,000	61,377,000	62,525,000	63,696,000	64,890,000	66,108,000	67,351,000
Other Special Revenue (donations/charges)	60,002,000	61,303,000	62,641,000	64,028,000	65,468,000	66,943,000	68,455,000	70,005,000	71,594,000	73,224,000	74,895,000
DASH Fund	4,962,000	5,111,000	5,264,000	5,422,000	5,585,000	5,752,000	5,925,000	6,103,000	6,286,000	6,474,000	6,669,000
Equipment Replacement Fund	4,189,000	4,315,000	4,445,000	4,578,000	4,715,000	4,857,000	5,002,000	5,153,000	5,307,000	5,466,000	5,630,000
Total Special Revenue & Other Funds	125,120,000	127,736,000	130,417,000	133,177,000	136,020,000	138,929,000	141,907,000	144,957,000	148,077,000	151,272,000	154,545,000
Total Revenues, All Funds*	710,726,000	717,400,000	735,416,000	755,767,000	776,832,000	798,623,000	821,164,000	844,487,000	868,617,000	893,586,000	919,428,000
Expenditures & Other Uses											
City Personnel											
Salaries	194,593,000	197,893,000	201,245,000	204,652,000	208,113,000	211,629,000	215,202,000	218,831,000	222,519,000	226,266,000	230,073,000
Step Increase (includes effects on fringes)	3,300,000	3,353,000	3,406,000	3,461,000	3,516,000	3,573,000	3,630,000	3,688,000	3,747,000	3,807,000	3,868,000
MRA (includes effects on fringes)	0	0	0	0	0	0	0	0	0	0	0
Social Security (excludes Step and MRA)	13,601,000	14,087,000	14,326,000	14,568,000	14,814,000	15,064,000	15,318,000	15,576,000	15,839,000	16,105,000	16,376,000
Health Care	20,548,000	22,192,000	23,967,000	25,885,000	27,956,000	30,192,000	32,607,000	35,216,000	38,033,000	41,076,000	44,362,000
Retirement (excludes Step and MRA)	41,860,000	42,664,000	43,386,000	44,120,000	44,865,000	45,623,000	46,392,000	47,174,000	47,968,000	48,775,000	49,595,000
LT Disability & Life Ins. (excludes Step & MRA)	1,303,000	1,348,000	1,371,000	1,394,000	1,418,000	1,442,000	1,466,000	1,491,000	1,516,000	1,541,000	1,567,000
Other Fringe Benefits	674,000	694,000	715,000	736,000	758,000	781,000	805,000	829,000	854,000	879,000	906,000
Total City Personnel	275,879,000	282,231,000	288,416,000	294,816,000	301,440,000	308,304,000	315,420,000	322,805,000	330,476,000	338,449,000	346,747,000
City Non-personnel	136,422,000	139,901,000	143,536,000	147,348,000	151,348,000	155,530,000	159,906,000	164,489,000	169,291,000	174,327,000	179,614,000
Potomac Yards expense (does not include debt service)	0	142,000	289,000	590,000	1,205,000	1,740,000	2,934,000	3,527,000	4,135,000	4,757,000	5,429,000
Debt service	48,632,000	56,052,000	62,476,000	67,787,000	84,666,000	88,522,000	91,612,000	94,394,000	97,039,000	95,642,000	95,642,000
Cash capital	13,107,000	14,642,000	18,785,000	15,801,000	13,388,000	13,861,000	15,773,000	16,233,000	18,483,000	18,373,000	18,373,000
Schools Personnel	201,013,000	197,522,000	212,381,000	228,290,000	246,722,000	266,796,000	277,042,000	287,654,000	298,648,000	310,034,000	321,824,000
Schools Non-personnel	35,674,000	36,030,000	36,391,000	36,755,000	37,122,000	37,493,000	37,868,000	38,247,000	38,630,000	39,016,000	39,406,000
Total Expenditures*	710,726,000	726,520,000	762,274,000	791,387,000	835,891,000	872,246,000	900,555,000	927,349,000	956,702,000	980,598,000	1,007,035,000
Excess/(Shortfall) of Revenues and Other Sources over Expenditures and Other Uses	-	(9,120,000)	(26,858,000)	(35,620,000)	(59,059,000)	(73,623,000)	(79,391,000)	(82,862,000)	(88,085,000)	(87,012,000)	(87,607,000)

* Amounts here do not capture Potomac Yard financing or expenditures. Potomac Yard is not included in forecasted years as it is a dedicated revenue source.

Note: In reality, the projected deficits would not occur. Actions would be taken to reduce expenditures or increase revenues.

Forecast Scenarios

Medium Growth Scenario

	FY 2013 Proposed	FY 2014 Forecast	FY 2015 Forecast	FY 2016 Forecast	FY 2017 Forecast	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast	FY 2022 Forecast	FY 2023 Forecast
General Fund											
General property tax revenue											
Real property tax	334,929,000	340,634,000	359,515,000	381,200,000	404,186,000	428,551,000	454,378,000	481,755,000	510,774,000	541,535,000	574,141,000
Personal property tax	37,196,000	38,014,000	38,850,000	39,705,000	40,578,000	41,471,000	42,384,000	43,316,000	44,269,000	45,243,000	46,238,000
Penalties and interest	1,870,000	1,889,000	1,908,000	1,927,000	1,946,000	1,965,000	1,985,000	2,005,000	2,025,000	2,045,000	2,066,000
Total general property tax revenue	373,995,000	380,537,000	400,273,000	422,832,000	446,710,000	471,987,000	498,747,000	527,076,000	557,068,000	588,823,000	622,445,000
Other Local Tax Revenue	123,814,000	127,597,000	131,570,000	135,700,000	139,995,000	144,462,000	149,109,000	153,944,000	158,976,000	164,213,000	169,666,000
Other Non-Tax Revenue	81,962,000	83,519,000	85,110,000	86,736,000	88,398,000	90,097,000	91,833,000	93,608,000	95,422,000	97,277,000	99,173,000
Revenue from Potomac Yards	0	0	0	0	0	0	0	0	0	0	0
Total General Fund Revenues	579,771,000	591,653,000	616,953,000	645,268,000	675,103,000	706,546,000	739,689,000	774,628,000	811,466,000	850,313,000	891,284,000
Other Financing Sources (Uses)											
Appropriation from Fund Balance for Op. Budget	5,835,000	5,020,000	5,020,000	5,020,000	5,020,000	5,020,000	5,020,000	5,020,000	5,020,000	5,020,000	5,020,000
Total General Fund Revenue & Other Sources	585,606,000	596,673,000	621,973,000	650,288,000	680,123,000	711,566,000	744,709,000	779,648,000	816,486,000	855,333,000	896,304,000
Special Revenues & Other Funds											
Schools Including Fund Balance	55,967,000	57,526,000	59,133,000	60,787,000	62,491,000	64,246,000	66,054,000	67,916,000	69,834,000	71,810,000	73,845,000
Other Special Revenue (donations/charges)	60,002,000	61,811,000	63,683,000	65,630,000	67,656,000	69,747,000	71,904,000	74,130,000	76,426,000	78,796,000	81,242,000
DASH Fund	4,962,000	5,111,000	5,264,000	5,422,000	5,585,000	5,752,000	5,925,000	6,103,000	6,286,000	6,474,000	6,669,000
Equipment Replacement Fund	4,189,000	4,315,000	4,445,000	4,578,000	4,715,000	4,857,000	5,002,000	5,153,000	5,307,000	5,466,000	5,630,000
Total Special Revenue & Other Funds	125,120,000	128,763,000	132,525,000	136,417,000	140,447,000	144,602,000	148,885,000	153,302,000	157,853,000	162,546,000	167,386,000
Total Revenues, All Funds	710,726,000	725,436,000	754,498,000	786,705,000	820,570,000	856,168,000	893,594,000	932,950,000	974,339,000	1,017,879,000	1,063,690,000
Expenditures & Other Uses											
City Personnel											
Salaries	194,593,000	197,893,000	201,245,000	204,652,000	208,113,000	211,629,000	215,202,000	218,831,000	222,519,000	226,266,000	230,073,000
Step Increase (includes effects on fringes)	3,300,000	3,353,000	3,406,000	3,461,000	3,516,000	3,573,000	3,630,000	3,688,000	3,747,000	3,807,000	3,868,000
MRA (includes effects on fringes)	0	0	0	0	0	0	0	0	0	0	0
Social Security (excludes Step and MRA)	13,601,000	14,087,000	14,326,000	14,568,000	14,814,000	15,064,000	15,318,000	15,576,000	15,839,000	16,105,000	16,376,000
Health Care	20,548,000	22,192,000	23,967,000	25,885,000	27,956,000	30,192,000	32,607,000	35,216,000	38,033,000	41,076,000	44,362,000
Retirement (excludes Step and MRA)	41,860,000	42,664,000	43,386,000	44,120,000	44,865,000	45,623,000	46,392,000	47,174,000	47,968,000	48,775,000	49,595,000
LT Disability & Life Ins. (excludes Step & MRA)	1,303,000	1,348,000	1,371,000	1,394,000	1,418,000	1,442,000	1,466,000	1,491,000	1,516,000	1,541,000	1,567,000
Other Fringe Benefits	674,000	694,000	715,000	736,000	758,000	781,000	805,000	829,000	854,000	879,000	906,000
Total City Personnel	275,879,000	282,231,000	288,416,000	294,816,000	301,440,000	308,304,000	315,420,000	322,805,000	330,476,000	338,449,000	346,747,000
City Non-personnel	136,422,000	139,901,000	143,536,000	147,348,000	151,348,000	155,530,000	159,906,000	164,489,000	169,291,000	174,327,000	179,614,000
Potomac Yards expense (does not include debt service)	0	142,000	289,000	590,000	1,205,000	1,740,000	2,934,000	3,527,000	4,135,000	4,757,000	5,429,000
Debt service	48,632,000	56,052,000	62,476,000	67,787,000	84,666,000	88,522,000	91,612,000	94,394,000	97,039,000	95,642,000	95,642,000
Cash capital	13,107,000	14,642,000	18,785,000	15,801,000	13,388,000	13,861,000	15,773,000	16,233,000	18,483,000	18,373,000	18,373,000
Schools Personnel	201,013,000	197,522,000	212,381,000	228,290,000	246,722,000	266,796,000	277,042,000	287,654,000	298,648,000	310,034,000	321,824,000
Schools Non-personnel	35,674,000	36,030,000	36,391,000	36,755,000	37,122,000	37,493,000	37,868,000	38,247,000	38,630,000	39,016,000	39,406,000
Total Expenditures	710,726,000	726,520,000	762,274,000	791,387,000	835,891,000	872,246,000	900,555,000	927,349,000	956,702,000	980,598,000	1,007,035,000
Excess/(Shortfall) of Revenues and Other Sources over Expenditures and Other Uses	-	(1,084,000)	(7,776,000)	(4,682,000)	(15,321,000)	(16,078,000)	(6,961,000)	5,601,000	17,637,000	37,281,000	56,655,000

* Amounts here do not capture Potomac Yard financing or expenditures. Potomac Yard is not included in forecasted years as it is a dedicated revenue source.

Note: In reality, the projected deficits would not occur. Actions would be taken to reduce expenditures or increase revenues.

Forecast Scenarios

High Growth Scenario

	FY 2013 Proposed	FY 2014 Forecast	FY 2015 Forecast	FY 2016 Forecast	FY 2017 Forecast	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast	FY 2022 Forecast	FY 2023 Forecast
General Fund											
General property tax revenue											
Real property tax	334,929,000	351,317,000	377,915,000	408,300,000	441,116,000	476,558,000	514,834,000	556,173,000	600,819,000	639,560,000	690,877,000
Personal property tax	37,196,000	38,386,000	39,614,000	40,882,000	42,190,000	43,540,000	44,934,000	46,371,000	47,855,000	49,387,000	50,967,000
Penalties and interest	1,870,000	1,907,000	1,946,000	1,984,000	2,024,000	2,065,000	2,106,000	2,148,000	2,191,000	2,235,000	2,280,000
Total general property tax revenue	373,995,000	391,610,000	419,475,000	451,166,000	485,330,000	522,163,000	561,874,000	604,692,000	650,865,000	691,182,000	744,124,000
Other Local Tax Revenue	123,814,000	129,393,000	135,283,000	141,506,000	148,082,000	155,035,000	162,390,000	170,173,000	178,414,000	187,144,000	196,394,000
Other Non-Tax Revenue	81,962,000	83,978,000	86,053,000	88,187,000	90,384,000	92,645,000	94,972,000	97,368,000	99,835,000	102,375,000	104,991,000
Revenue from Potomac Yards activities	0	0	0	0	0	0	0	0	0	0	0
Total General Fund Revenues	579,771,000	604,981,000	640,811,000	680,859,000	723,796,000	769,843,000	819,236,000	872,233,000	929,114,000	980,701,000	1,045,509,000
Other Financing Sources (Uses)											
Appropriation from Fund Balance for Op. Budget	5,835,000	5,020,000	5,020,000	5,020,000	5,020,000	5,020,000	5,020,000	5,020,000	5,020,000	5,020,000	5,020,000
Total General Fund Revenue & Other Sources	585,606,000	610,001,000	645,831,000	685,879,000	728,816,000	774,863,000	824,256,000	877,253,000	934,134,000	985,721,000	1,050,529,000
Special Revenues & Other Funds											
Schools Including Fund Balance	55,967,000	58,046,000	60,209,000	62,458,000	64,797,000	67,229,000	69,759,000	72,390,000	75,126,000	77,972,000	80,931,000
Other Special Revenue (donations, charges)	60,002,000	62,319,000	64,734,000	67,262,000	69,909,000	72,662,000	75,524,000	78,502,000	81,598,000	84,818,000	88,168,000
DASH Fund	4,962,000	5,111,000	5,264,000	5,422,000	5,585,000	5,752,000	5,925,000	6,103,000	6,286,000	6,474,000	6,669,000
Equipment Replacement Fund	4,189,000	4,315,000	4,445,000	4,578,000	4,715,000	4,857,000	5,002,000	5,153,000	5,307,000	5,466,000	5,630,000
Total Special Revenue & Other Funds	125,120,000	129,791,000	134,652,000	139,720,000	145,006,000	150,500,000	156,210,000	162,148,000	168,317,000	174,730,000	181,398,000
Total Revenues, All Funds	710,726,000	739,792,000	780,483,000	825,599,000	873,822,000	925,363,000	980,466,000	1,039,401,000	1,102,451,000	1,160,451,000	1,231,927,000
Expenditures & Other Uses											
City Personnel											
Salaries	194,593,000	197,893,000	201,245,000	204,652,000	208,113,000	211,629,000	215,202,000	218,831,000	222,519,000	226,266,000	230,073,000
Step Increase (includes effects on fringes)	3,300,000	3,353,000	3,406,000	3,461,000	3,516,000	3,573,000	3,630,000	3,688,000	3,747,000	3,807,000	3,868,000
MRA (includes effects on fringes)	0	0	0	0	0	0	0	0	0	0	0
Social Security (excludes Step and MRA)	13,601,000	14,087,000	14,326,000	14,568,000	14,814,000	15,064,000	15,318,000	15,576,000	15,839,000	16,105,000	16,376,000
Health Care	20,548,000	22,192,000	23,967,000	25,885,000	27,956,000	30,192,000	32,607,000	35,216,000	38,033,000	41,076,000	44,362,000
Retirement (excludes Step and MRA)	41,860,000	42,664,000	43,386,000	44,120,000	44,865,000	45,623,000	46,392,000	47,174,000	47,968,000	48,775,000	49,595,000
LT Disability & Life Ins. (excludes Step & MRA)	1,303,000	1,348,000	1,371,000	1,394,000	1,418,000	1,442,000	1,466,000	1,491,000	1,516,000	1,541,000	1,567,000
Other Fringe Benefits	674,000	694,000	715,000	736,000	758,000	781,000	805,000	829,000	854,000	879,000	906,000
Total City Personnel	275,879,000	282,231,000	288,416,000	294,816,000	301,440,000	308,304,000	315,420,000	322,805,000	330,476,000	338,449,000	346,747,000
City Non-personnel	136,422,000	139,901,000	143,536,000	147,348,000	151,348,000	155,530,000	159,906,000	164,489,000	169,291,000	174,327,000	179,614,000
Potomac Yards expense (does not include debt service)	0	142,000	289,000	590,000	1,205,000	1,740,000	2,934,000	3,527,000	4,135,000	4,757,000	5,429,000
Debt service	48,632,000	56,052,000	62,476,000	67,787,000	84,666,000	88,522,000	91,612,000	94,394,000	97,039,000	95,642,000	95,642,000
Cash capital	13,107,000	14,642,000	18,785,000	15,801,000	13,388,000	13,861,000	15,773,000	16,233,000	18,483,000	18,373,000	18,373,000
Schools Personnel	201,013,000	197,522,000	212,381,000	228,290,000	246,722,000	266,796,000	277,042,000	287,654,000	298,648,000	310,034,000	321,824,000
Schools Non-personnel	35,674,000	36,030,000	36,391,000	36,755,000	37,122,000	37,493,000	37,868,000	38,247,000	38,630,000	39,016,000	39,406,000
Total Expenditures	710,726,000	726,520,000	762,274,000	791,387,000	835,891,000	872,246,000	900,555,000	927,349,000	956,702,000	980,598,000	1,007,035,000
Excess/(Shortfall) of Revenues and Other Sources over Expenditures and Other Uses	-	13,272,000	18,209,000	34,212,000	37,931,000	53,117,000	79,911,000	112,052,000	145,749,000	179,853,000	224,892,000

* Amounts here do not capture Potomac Yard financing or expenditures. Potomac Yard is not included in forecasted years as it is a dedicated revenue source.

Note: In reality, the projected deficits would not occur. Actions would be taken to reduce expenditures or increase revenues.